

Press Release

**21 March 2018**

## **Joint Statement - Affin Hwang AM and AIIMAN Reaffirms Commitment to ESG Principles**

**KUALA LUMPUR** – Affin Hwang Asset Management Berhad (“Affin Hwang AM” or “the Company”) together with its wholly-owned subsidiary AIIMAN Asset Management Sdn Bhd (“AIIMAN”) today reaffirmed their commitment in embracing environmental, social, governance (ESG) principles in their underlying investment process as signatories to the Malaysian Code for Institutional Investors (“the Code”).

Affin Hwang AM and AIIMAN became signatories to the Code a year ago on the 24 March 2017 and 22 March 2017 respectively. They join a list of 17 other local institutional investors & pension funds who have pledged to uphold the 6 principles stated in the Code including:-

1. Disclosing Policies on Stewardship
2. Monitoring Investee Companies
3. Engaging Investee Companies
4. Managing Conflicts of Interest
5. Incorporating Sustainability Considerations
6. Publishing a Voting Policy

**Teng Chee Wai, Managing Director of Affin Hwang AM** said, “We believe that institutional investors such as ourselves can play an important role in helping to champion the ESG (Environmental, Social and Governance) agenda and influence the behaviour of investee companies’ through an active and clear engagement strategy. We are here to serve our clients by investing in a sustainable manner so as to create long term value for our investors and society.”

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The company recently appointed US-based Glass, Lewis & Co. (Glass Lewis), a leading independent provider of global governance services. Glass Lewis provides research reports with analysis and recommendation on every proxy vote and offers a vote management platform. The research will supplement the company's existing investment research. In accordance with the Code, Affin Hwang AM will be disclosing its voting statistics from 2018.

The company also subscribed to MSCI ESG Research for its Asia coverage since last year.

On the alignment of ESG and Shariah principles, **Akmal Hassan, Managing Director of AIIMAN** says, "Our belief is that good governance ultimately leads to better financial performance and that it is not a trade-off when it comes to sustainability and performance. With increasing discussions on the commonality between Shariah and ESG principles, we expect there to be a wider offering of values based funds. In fact, Shariah-compliant investments are now widely considered a subset of the ESG universe. A new generation of investors have also become increasingly conscious about the wider ESG issues, whether its climate change, diversity or corporate transparency."

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### For media enquiries, please contact:

Lee Sheung Un | sheungun.lee@affinhwangam.com | +6017 296 3781

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### About Affin Hwang Asset Management Berhad

Affin Hwang Asset Management Bhd ("Affin Hwang AM" or the "Company") was incorporated in Malaysia on 2 May 1997 under the Companies Act 1965 and began its operations under the name Hwang-DBS Unit Trust Berhad in 2001. In early 2014, the Company was acquired by the Affin Banking Group ("Affin") and hence, is now supported by a major home-grown financial services conglomerate. Affin has close to 40 years of experience in financial industry which focuses on commercial, Islamic and investment banking services, money broking, fund management and underwriting of life and general insurance business. Additionally, Affin Hwang AM is also 30% owned by Nikko Asset Management International Limited, a wholly-owned subsidiary of Tokyo-based Nikko Asset Management Co. Ltd, a leading independent Asian investment management franchise. Its head office is located in Kuala Lumpur and has a total of 7 main sales offices located in Peninsular and East Malaysia. They are in Penang, Ipoh, Malacca, Johor Bahru, Kuching, Miri and Kota Kinabalu.

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Affin Hwang AM's core business is providing fund management services to private clients, as well as to retail clients via its stable of unit trust funds and private retirement schemes. The Company offers wide range of unit trust products and investment solutions with underlying investments comprising conventional equities, balanced, bond, money market, capital guaranteed, capital protected, global, structured and feeder funds, as well as Shariah-compliant equity, Islamic money market instruments and Islamic fixed income funds. Affin Hwang AM's Shariah investment solutions are made available through its wholly-owned subsidiary and Islamic investment arm, AIIMAN Asset Management Sdn. Bhd. ("AIIMAN")

Since its inception in 2001, Affin Hwang AM has achieved an exponential growth in its total assets under administration ("AUA"). As at 28 February 2018, the total AUA, comprising in-house unit trust funds as well as corporate and discretionary portfolios stood at approximately RM 47.33 billion (combined AUA of Affin Hwang AM and AIIMAN).

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### About AIIMAN Asset Management Sdn Bhd

AIIMAN Asset Management Sdn Bhd ("AIIMAN") is a Shariah-compliant investment management company managing assets for pension funds, institutions, corporates, high net worth and mass affluent individuals. Headquartered in the world's Islamic financial hub Kuala Lumpur, Malaysia, AIIMAN is focused on providing clients exceptional and innovative Shariah investment solutions that focus on Asian Equities and Global Sukuk.

AIIMAN was licensed by the Securities Commission Malaysia to undertake the regulated activity of Shariah-compliant fund management in 2007 and is a wholly owned subsidiary of Affin Hwang Asset Management Berhad and a member of the Affin Hwang Investment Banking Group.

AIIMAN's Shariah-compliant investment management services have been recognised for outperformance from these local and international rating agencies and publications over the years:

- Asia Asset Management Best of the Best Awards
- IFN Islamic Investor Awards
- The Asset Benchmark Research
- The Asset Triple A Islamic Finance Awards

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### Recent Awards:

1. Asia Asset Management, 2018 Best of the Best Awards | **Best Institutional House, Malaysia** – Affin Hwang Asset Management
2. Euromoney Private Banking and Wealth Management Survey 2018 | **Best Asset Management, Malaysia** - Affin Hwang Asset Management Berhad
3. Morningstar Awards 2018 Malaysia | **Asia-Pacific Equity Category Winner** - Affin Hwang Select Asia (ex Japan) Opportunity Fund
4. Morningstar Awards 2018 Malaysia | **Malaysia Large-Cap Equity Category Winner** - Affin Hwang Select Opportunity Fund
5. The Asset Triple A Asset Servicing, Fund Management and Investors Awards 2017 | **Long-only Equity Fund Manager of the Year, Highly Commended** – Gan Eng Peng (Affin Hwang Select Asia (ex Japan) Quantum Fund)
6. The Asset Triple A Asset Servicing, Fund Management and Investors Awards 2017 | **Long-only Mixed Asset Fund Manager of the Year, Highly Commended** – Chow Kar Tzen & Ooi Phee Lip (Affin Hwang Select Income Fund)
7. The Asset Triple A Asset Servicing, Fund Management and Investors Awards 2017 | **Asset Management Company of the Year, Malaysia** – Affin Hwang Asset Management
8. Amanah Mutual Berhad, AMB Million Dollar Club 2017 | **Best Overall Investment Manager** – Affin Hwang Asset Management

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